Scholastic to Acquire Cottage Door Press, a Leading, Fast-Growing Innovator in Early Childhood Publishing

Transaction Strengthens Scholastic's Position in Early Childhood Publishing and Expands Opportunities for Growth Across Formats and Channels

New York, NY — September 29, 2026 — Scholastic Corporation (NASDAQ:SCHL), the global children's publishing, education and media company, today announced that it has signed a definitive agreement to acquire Cottage Door Press ("Cottage Door"), a leading independent children's publisher of innovative early childhood books, for approximately $71 million, subject to customary purchase price adjustments.

Upon completion, the strategic acquisition will expand Scholastic's position in the early childhood book market, a key focus area for the Company, by adding a proven independent publisher with distinctive strengths in early childhood and novelty formats. The transaction is expected to broaden Scholastic's children's publishing portfolio across formats, categories and channels, creating new opportunities to reach children and families.

"Cottage Door is a strong strategic fit for Scholastic and an attractive investment in an important growth area of the children's book market," said Peter Warwick, Scholastic President and Chief Executive Officer. "Dick Maddrell and his team have built one of the fastest growing independent publishers with category-defining formats, concepts and licenses, as well as strong relationships with retailers and families. Bringing their strengths together with Scholastic's trusted brand, publishing expertise, unique school channels and distribution scale creates meaningful opportunities to build on that momentum and create long-term value."

Cottage Door is the largest independent children's publisher in the United States and among the fastest-growing in the industry. Since its founding in 2014, Cottage Door has distinguished itself through creative publishing that encourages interaction and discovery, with particular strengths in board and novelty formats, as well as innovative product development supported by strong digital marketing and go-to-market capabilities.

"Cottage Door brings a distinctive creative vision to publishing for our youngest readers, with an exceptional ability to develop innovative formats that children want to touch, explore and experience," said Sasha Quinton, President of Scholastic's Children's Book Group. "We have long admired both the creativity of Cottage Door's publishing and the team that brings those books to market. We are thrilled to welcome them to Scholastic and are excited about what we can create together for children and families."

Dick Maddrell, Founder and CEO, Cottage Door Press added, "I am incredibly proud of what our team has built over the years, and it was deeply gratifying to see how strongly others valued what we have created. Finding the right home for our brand and our team was an important priority. Scholastic not only understands what makes Cottage Door special, but they share a kid-first culture and can help Cottage Door realize its full potential in this next stage of growth."

Following the closing, Cottage Door will be integrated into Scholastic's Children's Book Group and is expected to continue operating with its existing publishing team and entrepreneurial approach, preserving the brand, expertise, creative identity and innovative culture that has driven its success while benefiting from Scholastic's broader capabilities and resources.

Transaction Details

Under the terms of the definitive agreement, Scholastic will acquire Cottage Door Press for approximately $71 million, before customary purchase price adjustments. Cottage Door's Luna StoryTime products, a line of interactive electronic toys, will be spun off prior to closing and will not be acquired by Scholastic as part of the transaction. The transaction is expected to close by the end of 2026, subject to customary closing conditions, the completion of the pre-closing separation of the Luna StoryTime business, the receipt of required third-party consents and the entry into new license agreements with certain key licensors, as well as approval by shareholders of one of the sellers. Scholastic expects to fund the acquisition with cash on hand and borrowings under its available revolving credit facility.

Cottage Door Press generated approximately $45 million in net revenue and was strongly profitable during the twelve months ended May 31, 2026.

Scholastic expects the acquisition to contribute to revenue growth and Adjusted EBITDA in fiscal 2027 and to be accretive in its second year following close, including anticipated synergies. Over time, as Scholastic supports Cottage Door’s continued growth through its broad distribution platform and realizes manufacturing and operating efficiencies, further financial benefits are expected.

Greenhill, a Mizuho affiliate, served as exclusive financial advisor to Cottage Door Press.

About Scholastic

For more than 100 years, Scholastic Corporation (NASDAQ: SCHL) has been meeting children where they are – at school, at home and in their communities – by creating quality content and experiences, all beginning with literacy. Scholastic delivers stories, characters, and learning moments that empower all kids to become lifelong readers and learners through bestselling children’s books, literacy- and knowledge-building resources for schools including classroom magazines, and award-winning, entertaining children's media. As the world's largest publisher and distributor of children's books through school-based book clubs and book fairs, classroom libraries, school and public libraries, retail, and online, and with a global reach into more than 135 countries, Scholastic encourages the personal and intellectual growth of all children, while nurturing a lifelong relationship with reading, themselves, and the world around them. Learn more at www.scholastic.com.

About Cottage Door Press

Cottage Door Press is a leading publishing company focused on bringing joy, connection, and imagination to readers of all ages. Founded in 2014, the company has grown from a small collection of titles to an expansive catalog that includes beloved children's books, innovative storytelling products, and a range of adult lifestyle and activity titles. Cottage Door Press is committed to enriching lives, one story — or activity — at a time. For more information about Cottage Door Press, visit cottagedoorpress.com or follow us on social media @cottagedoorpress.

Forward Looking Statements

This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements include, without limitation, statements regarding the expected completion, timing and financial benefits of the proposed acquisition of the publishing business of Cottage Door Press, including statements regarding expected contributions to revenue growth, Adjusted EBITDA and accretion. Forward-looking statements are based on management's current expectations and assumptions and are subject to risks, uncertainties and other factors that may cause actual results, performance or achievements to differ materially from those expressed or implied by such statements. Factors that could cause actual results to differ materially include, among others:

- the failure to satisfy, or delay in satisfying, conditions to the closing of the transaction, including the successful completion of the pre-closing separation of the Luna StoryTime business and the need to obtain shareholder approval from one of the Sellers which is anticipated but cannot be assured;
- the failure to obtain, or delay in obtaining, required third-party consents or to enter into new license agreements with key licensors on acceptable terms or at all;
- unexpected costs, liabilities or delays associated with the transaction or the pre-closing separation;
- the failure to successfully integrate Cottage Door's business and retain key personnel following closing;
- the possibility that anticipated synergies and other benefits of the transaction may not be realized or may take longer to realize than expected; and
- general economic, market and business conditions.

The foregoing list of factors is not exhaustive. Additional risks and uncertainties are discussed in Scholastic's filings with the Securities and Exchange Commission, including its most recent Annual Report on Form 10-K and subsequent Quarterly Reports on Form 10-Q. Forward-looking statements speak only as of the date of this press release. Scholastic undertakes no obligation to update or revise any forward-looking statement to reflect events or circumstances after the date hereof, except as required by applicable law.

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